

Registered number: 04688688

PNC Global Logistics UK Limited

Financial statements

Information for filing with the registrar

For the Year Ended 30 December 2018



PNC Global Logistics UK Limited

Company Information

Directors	B Chaing K Johnson
Registered number	04688688
Registered office	Springfield House Springfield Road Horsham West Sussex RH12 2RG
Independent auditors	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG

001 43 2 X

PNC Global Logistics UK Limited
Registered number: 04688688

Balance Sheet
As at 30 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	<u>21,169</u>	<u>27,593</u>
		21,169	27,593
Current assets			
Debtors	6	2,123,409	3,136,524
Cash at bank and in hand		<u>192,205</u>	<u>172,674</u>
		2,315,614	3,309,198
Creditors: amounts falling due within one year	7	<u>(1,636,596)</u>	<u>(3,106,268)</u>
Net current assets		679,018	202,930
Total assets less current liabilities		700,187	230,523
Provision for liabilities		<u>(3,202)</u>	<u>(4,295)</u>
		(3,202)	(4,295)
Net assets		696,985	226,228
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		<u>696,885</u>	<u>226,128</u>
Total equity		696,985	226,228

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



.....
B Chaing
Director

26 SEP 2019

The notes on pages 3 to 11 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

1. General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

The principal place of business for freight transactions is:

Paramount House
Delta Way
Egham
Surrey
TW20 8RZ

The principal place of business for distribution transactions is:

23-25 Sovereign Road
Kings Norton
Birmingham
B30 3HN

2. Accounting policies

2.1 Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and with the Companies Act 2006.

2.3 Basis of preparation

These financial statements have been prepared using the historical cost convention.

The financial statements are presented in Sterling which is the functional currency of the company and rounded to the nearest £.

2.4 Going concern

The financial statements have been prepared on a going concern basis as the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

2. Accounting policies (continued)

2.5 Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Revenues are recognised in accordance with the terms of client contracts. Recognition is following provision of the service or at the point that goods are dispatched, depending on the terms of the contract.

2.6 Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

2.8 Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is charged so as to write off the cost of assets, less their estimated residual value, over their estimated useful lives, as follows:

Fixtures and fittings	-	25% per annum reducing balance
-----------------------	---	--------------------------------

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

2. Accounting policies (continued)

2.9 Trade Debtors

Trade debtors are amounts due from customers for the provision of services in the ordinary course of business.

Trade debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in profit or loss in other administrative expenses.

2.10 Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors with no stated interest rate and payable within one year are recorded at transaction price.

2.11 Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

2.12 Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Lease payments are apportioned between finance costs in the income statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

2.13 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

2.14 Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

2. Accounting policies (continued)

2.15 Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2.16 Financial instruments

Classification

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

3. Employees

The average monthly number of employees, including directors, during the year was 20 (2017 - 48).

4. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Auditor's remuneration for audit services	20,000	19,000
Auditor's remuneration - Tax services	4,500	4,500
Exceptional costs - other	19,526	-
Exceptional costs - warehouse and premises reorganisation	38,848	217,529
Exceptional costs - credit note provision	-	66,218
	<u> </u>	<u> </u>

PNC Global Logistics UK Limited

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

5. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 31 December 2017	375,635
Additions	550
At 30 December 2018	376,185
Depreciation	
At 31 December 2017	348,042
Charge for the year on owned assets	6,974
At 30 December 2018	355,016
Net book value	
At 30 December 2018	21,169
At 30 December 2017	27,593

PNC Global Logistics UK Limited

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

6. Debtors

	2018 £	2017 £
Trade debtors	1,310,055	1,977,043
Amounts owed by group undertakings	707,328	1,090,450
Other debtors	63,673	36,893
Prepayments	42,353	32,138
	<u>2,123,409</u>	<u>3,136,524</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Loans and borrowings	-	12,314
Trade creditors	868,289	1,350,445
Amounts owed to group undertakings	580,224	702,634
Taxation and social security	20,631	242,301
Other creditors	19,633	697,178
Accruals and deferred income	147,819	101,396
	<u>1,636,596</u>	<u>3,106,268</u>

8. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Finance lease liabilities	-	12,314
	<u>-</u>	<u>12,314</u>

9. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
100 (2017 - 100) Ordinary shares of £1 each	100	100

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

10. Contingent liabilities

The total amount of contingencies not included in the balance sheet is £30,283,115 (2017: £30,140,294). The company has given cross guarantees to the group's bankers in respect of borrowings by certain group companies.

11. Commitments under operating leases

At 30 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018	2017
	£	£
Not later than 1 year	66,505	92,111
Later than 1 year and not later than 5 years	126,914	208,948
Later than 5 years	2,532	-
	195,951	301,059

The amount of non-cancellable operating lease payments recognised as an expense during the year was £94,323 (2017: £240,672).

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

12. Related party transactions

Summary of transactions with other related parties

Euroresins UK Limited, group company

During the year the company invoiced Euroresins UK Limited for services totalling £247,377 (2017: £81,608). At the balance sheet date the amount receivable from Euroresins UK Limited was £16,710 (2017: £15,617).

Marpex Chemicals Limited, group company

During the year the company invoiced Marpex Chemicals Limited for services and other charges totalling £164,179 (2017: £34,201). At the balance sheet date the amount receivable from Marpex Chemicals Limited was £933 (2017: £1,065).

Cathay Investments Limited, group company

The company has given cross guarantees in respect of borrowings by Cathay Investments Limited and certain of its subsidiaries. The total amount of contingencies not included in the balance sheet is £22,185,671 (2017: £24,039,988).

Amethyst Group Limited, group company

During the year the company invoiced Amethyst Group Limited for services provided and recharged costs. Total income received during the year was £1,229,416 (2017: £715,919). During the year the company was recharged expenses of £1,147,154 (2017: £329,985) from Amethyst Group Limited. At the balance sheet date the amount receivable from Amethyst Group Limited was £60,671 (2017: £179,195).

The Original Poster Company Limited, group company

During the year the company recharged expenses of £42,965 (2017: £22,099) to The Original Poster Company Limited. At the balance sheet date the amount receivable from The Original Poster Company Limited was £8,562 (2017: £4,587).

Perkins Group Services Limited, group company

During the year the company invoiced Perkins Group Services Limited for services totalling £59,102 (2017: £34,745). At the balance sheet date the amount receivable from Perkins Group Services Limited was £885 (2017: £2,231).

Cathay Investments 2 Limited, immediate parent company

During the year the company was charged for management fees and various recharges totalling £82,315 (2017: £46,840) from Cathay Investments 2 Limited. At the balance sheet date the amount due to Cathay Investments 2 Limited was £580,224 (2017: £429,707).

The company has taken advantage of the exemption in Section 33 of FRS 102 "Related Party Disclosures" from disclosing transactions with other wholly owned members of the group.

13. Controlling party

The company's immediate parent company is PNC Global Logistics Limited, incorporated in England and Wales.

The ultimate parent company is Chaing Equities Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is Chaing Equities Limited. These financial statements are available upon request from Springfield House, Springfield Road, Horsham, West Sussex, RH12 2RG.

The ultimate controlling party is B Chaing, a director of the ultimate parent company, who with members of his close family, controls the company as a result of controlling, directly or indirectly, the majority of the issued share capital in the ultimate parent company.

PNC Global Logistics UK Limited

**Notes to the Financial Statements
For the Year Ended 30 December 2018**

14. Auditors' information

The auditors' report on the financial statements for the year ended 30 December 2018 was unqualified.

The audit report was signed on **26 SEP 2019** by Marc Summers BSc (Hons) FCA (Senior Statutory Auditor) on behalf of Grant Thornton UK LLP.